

AGENDA

FOR THE 509TH RETIREMENT MEETING OF JUNE 25, 1991

1. Meeting will be called to order at 9:00 a.m., Buttons Room - 15th Floor - Holiday Inn Mart Plaza.
2. Roll call.
3. Approval of the Minutes of the 508th Meeting held May 28, 1991.
4. Investment Subcommittee report.

5. Real Estate Subcommittee report.
6. Subcommittee on General Administration.
 - a) Announcement of deaths reported since the last meeting.
 - b) Presentation of Pre-Retirement Surviving Spouse Allowances for approval.
 - c) Presentation of new retirement applications for approval.
 - (i) Alice Richman - request for retroactivity to 3/1/88.
 - (ii) Samuel Smith - request for retroactivity to 6/1/90.
 - (iii) Petros Retsos - request for retroactivity to 6/1/91.
 - d) Presentation of Death Benefits for approval.
 - e) Presentation of Refunds of Contributions for approval.
 - f) Presentation of Bills and Remittances for approval.
 - g) Hercules Auza - #15072 - returned to duty on 6/13/91.
7. Report by Executive Director of Fund performance.
8. Unfinished Business.
 - a) Settlement Agreement Task Force report.
9. Adjournment.

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 509th Meeting of the Retirement Plan for Chicago Transit Authority Employees was held Tuesday, June 25, 1991 at 9:00 A.M. at the Holiday Inn Mart Plaza, Buttons Room, 15th floor. The following were in attendance:

Mr. I. Thomas, Chairman	Mr. C. Andersen
J. Forte	E. Hill
L. Brown	
T. Collins	

Mr. D. Perk, Executive Director was present. Alternate L. Morris sat in W. Black's stead. Alternate A. Curtis sat in C. Burrus' stead. Alternate W. Buetow sat in A. Mandolini's stead. Alternate D. Carter sat in M. Holzman's stead. Alternates D. Washington, R. Baughn, M. Caffery, B. Rayford, D. Hillock and J. Lawrie were also in attendance. Messrs. R. Pirovano, W. Ross and Ms. P. Williams of the Pension Office staff were present. Mr. F. Duda and Mr. B. Baker of the Harris Trust and Savings Bank were present. Messrs. B. Scholz, R. Goldman and M. Dzinciolski, pensioner representatives were present. Mr. R. Burke, Plan Attorney was also in attendance.

- (1) The Chairman called the meeting to order at 9:10 A.M.
- (2) A roll call was taken which indicated that a quorum of the Committee members was present.
- (3) On a motion by Mr. Collins, seconded by Mr. Forte, the Committee unanimously approved the Minutes of the 508th meeting held May 28, 1991.
- (4) There was no Investment Subcommittee meeting scheduled for this month.
- (5) Mr. Elonzo Hill, Chairman of the Real Estate Subcommittee reported on his meeting of June 18, 1991 (copy of meeting Minutes attached). He noted that the subcommittee reviewed the proposal for the Townsend Group's fee increase and made a motion to the Committee for acceptance of this proposal. Mr. Collin's seconded and the Committee unanimously approved.

With regards to the issue of property management of the Lake County Industrial Properties and 635 Remington, it was noted that there was a recommendation made by the subcommittee for approval of the proposal made by RREEF. On a motion by Mr. Hill, seconded by Mr. Forte, the Committee unanimously approved that the RREEF proposal be accepted.

(6) Mr. C. Andersen, Vice-Chairman of the General Administration Subcommittee reported on his meeting of Thursday, June 20, 1991 noting that the subcommittee reviewed items 6 (a-g) and recommended approval of items 6 (b-f). On a motion by Mr. Andersen, seconded by Mr. Brown, the Committee unanimously approved items 6 (b-f) and approved filing of the report.

(7) The Executive Director turned the Committee's attention to the Report on Deposits, Disbursements and Investments in the Trustee Summary and noted that the May 1991 performance for the total Fund was +3.04 and the value of the assets of the Plan as of May 31, 1991 amounted to \$1,050,729,991.

The Executive Director also reported on the properties in the PRITA account noting that the Trustees are desirous of selling the properties. The depressed real estate market is delaying consummation of the disposition plan.

The Executive Director also made reference to a newspaper article regarding one of the Plan's fixed income managers, W. R. Lazard. The article alluded to the firm's financial problems and this posed a concern as to the viability of this firm in managing funds according to their Investment Management Agreement. He mentioned that the consultant would look into this matter and report back to the Committee.

The Plan Attorney made a status report on the fixed income managers noting that many of the Investment Management Agreements have been signed and some funded with others to be funded shortly with the exception of W. R. Lazard who was put on hold pending further recommendations from the consultant. There was a discussion regarding Amalgamated Trust and the services to be performed for Amalgamated by Goldman Sachs. There was a recommendation that the consultant advise the Committee of the impact of Goldman Sachs services upon the performance of Amalgamated Bank.

(8a) This item was deferred.

The Plan Attorney then discussed the Harris Bank CD program informing the Committee of recent proposed legislation concerning FDIC insurance. He stated that the Plan does have insurance per Plan participant but with this new legislation, there would only be insurance per each CD up to \$100,000. This legislation, if passed would have a 2 year window before it becomes effective. He stated that there are some CD's that are maturing and recommended that these CD's not be rolled over until the legislation is considered by Congress.

The Chairman brought to the Committee's attention the issue of benefits for surviving spouses and the retroactivity of these benefits to December 1, 1989. He noted that he made an inquiry to the Plan Attorney's office and was advised that these benefits could not be made retroactive because of the effective date provided in the arbitration award. The Plan Attorney then stated that the unions and the Authority can negotiate a different date.

The Plan Attorney then discussed with the Committee a letter that was submitted from Local #701 regarding unfair hiring practices with respect to its members. The Local is requesting that the CTA Retirement Plan make whole for all losses to Local 701 members any accrued rights and benefits that were effected by discriminatory hiring by the CTA. The Plan Attorney noted that this is not a Retirement Plan issue and that this should be referred to the Authority for negotiations.

There being no further business, the Committee unanimously agreed to adjourn at 10:05 A.M.